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C O N F I D E N T I A L SECTION 01 OF 02 LA PAZ 002781

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SUBJECT: GOVERNMENT OF BOLIVIA ALIENATES ITS POLITICAL BASE
IN SANTA CRUZ

Classified By: ECOPOL Andrew Erickson for reasons 1.4 (b) and (d).

¶1. (C) Summary: During an October 13 visit, Emboff met with leaders from several key social movements, including the Santa Cruz Departmental Federation of Rural Workers (FDTCS), the Santa Cruz Federation of Neighborhood Committees (FEJUVE), and Departmental Labor Union (COD). This cable reports on the views of FDTCS; septels will report on other meetings. FDTCS leaders complained that they are stuck between a rock and a hard place. On the one hand, the Morales administration was becoming increasingly partisan and insistent on complete loyalty and obedience; on the other hand, the opposition-controlled prefectural government distrusts FDTCS, and has done nothing to win it over. The federation has not been consulted on land reform nor received the farm aid publicized by the national government. End Summary.

BACKGROUND

¶2. (C) Emboff met October 13 with Franklin Moreno, Executive Director, and Ruben Loras, Secretary, of the Santa Cruz Departmental Federation of Rural Workers, known by its Spanish initials FDTCS. The organization is affiliated with the Sole Trade Union Federation of Rural Workers of Bolivia (CSUTCB), which in turn is affiliated with the Bolivian Central Labor Union (COB). The FDTCS is a non-political organization dedicated to improving peasant farmers' conditions. FDTCS members overwhelmingly supported President Morales and the Movement Towards Socialism (MAS) during the past elections. Moreno and Loras were eager to talk with Emboff, noting it was the first time someone from the Embassy had visited their organization.

HALF OF SANTA CRUZ SUBSISTENCE FARMERS

¶3. (C) Moreno bitterly complained about the conditions of campesinos in the fifteen provinces of Santa Cruz. He told Emboff that in the past, neither businessmen nor political parties gave the poor campesino a chance to improve their standard of living. Acute shortages of credit for tools and supplies cause the majority of campesinos to be relegated to subsistence farming; Loras estimates about half of Santa

Cruz's population of 2.3 million fall into this category. Moreno remarked that large landowners are "just as bad" as traditional political parties in that they "just don't get" that it is in their best interest to help campesinos improve their lot.

PREFECTURE VIEWED WITH DISTRUST

¶4. (C) Moreno and Laras complained of the lack of support from the opposition-led prefectural government. Moreno said there is little coordination between the campesinos and the prefect. Their organization has a difficult relationship with Santa Cruz Prefect Costas because of his tense relationship with the national government. The prefectural government views the campesinos with distrust, believing they are influenced by and supporters of the Morales administration. The Morales government, meanwhile, is not open to them because they are not MAS activists. Moreno said the Santa Cruz campesino is getting "choked" and becoming "more desperate by the day." Moreno asked if there was any way for the Embassy could offer institutional support to help the federation stay independent and democratic.

MAS APPARENTLY NO BETTER

¶5. (C) Moreno also had harsh words for the Morales administration. He declared Morales' land reform up until now "all talk" and said no federal government official had consulted their organization about new measures. The FDTCS has no idea what the national government's plan is and is eagerly awaiting any information or decree. No one from the FDTCS has received one of the Venezuela-donated tractors the

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Morales government has widely publicized. Moreno told Emboff that the MAS government is trying to take over his organization. Recently, when Moreno went to a national federation meeting in La Paz, officials stopped him at the door and asked for his credentials. When he showed his union membership card, they told him it was not the "right one" and asked to see his MAS membership card (NOTE: Mr. Moreno is not a member of any political party). Moreno claimed that MAS party members are setting up parallel campesino organizations as a way to pressure his group to become ardent MAS supporters. If past governments didn't care about the campesinos, Moreno said, "they at least left us alone." In contrast, "this new government is breaking with democracy, trying to impose a Cuban style system, and taking away unions' independence."

¶6. (C) Comment: The large number of desperately poor, embittered campesinos working on subsistence farms belies Santa Cruz's self-image as the land of Bolivia opportunity. While the Morales administration publicly speaks about improving campesinos' conditions, the Santa Cruz Federation of Rural Workers has not witnessed any such improvement. Peasant farmers continue to live hand to mouth while political rhetoric and fighting continues to mount on the prefectural and national levels. At this point, neither MAS nor opposition has won the battle for the hearts and minds of the poor of Santa Cruz. End Comment.

GOLDBERG